

**GOVERNMENT OF TELANGANA  
ABSTRACT**

MINES & MINERALS - Mining Lease for Iron Ore over an extent of 8.00 Hectares in Sy.No. 74/1 of Ramachandrapuram Village, Bayyaram Mandal, Khammam District held by Sri Jatoth Mark Raju - Determination of the Mining Lease as per Rule 27(5) of M.C.Rules, 1960 - Orders - Issued.

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**INDUSTRIES & COMMERCE (M.II) DEPARTMENT**

G.O.MS.No. 5.

Dated:08.01.2015.

Read the following:

1. G.O.Ms.No.21, Industries & Commerce (M-II) Department., dt.29-01-2009.
2. From the Director of Mines & Geology, Hyd., File No.6358/R6-2/2011.
3. Govt. Memo No. 4178/M.III(2)/2013, I&C (M.III) Dept., dt.28.03.2013.
4. From Sri Jatoth Mark Raju, Representation dt.30-4-2013.
5. From the Director of Mines & Geology, Hyd., File No. 6358/R6-2/2011.

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**ORDER:**

In the reference 1<sup>st</sup> read above, Government have accorded permission to Sri Tejavath Shankar Rao for transfer of mining lease held by him for Iron Ore over an extent of 8.00 Hectares in Sy.No. 74/1 of Ramachandrapuram Village, Bayyaram Mandal, Khammam District in favour of Sri Jatoth Mark Raju for the un-expired portion of the lease period i.e. upto 03-04-2025. The transfer lease deed was executed by Sri Jatoth Mark Raju on 02.03.2009 and the ADM&G, Kothagudem vide Procd.No.244/M/2009, dt.02-03-2009 issued work orders to continue the mining operations. The said Mining Lease will be in force upto 03-04-2025.

2. In the reference 2<sup>nd</sup> read above, The Director of Mines & Geology, Hyderabad has reported that in November, 2009 an adverse news item appeared in Andhra Jyothi Telugu daily under caption “Ikkada Inuparai Pandutondi” alleging about illegal mining of Iron Ore in Forest and Pattaland in different villages of Bayyaram Mandal. The officials of the Regional Vigilance & Enforcement, Warangal, the Deputy Director of Mines & Geology, Warangal, the Assistant Director of Mines & Geology, Kothagudem, the Assistant Director of Mines & Geology (Vig.), Mahabubabad, Revenue Officials of Bayyaram Mandal and Regional Mobile Squad, Khammam unit have jointly inspected the Mining lease area and seized illegally extracted Iron Ore duly conducting panchanama. The seized mineral was handed over to the Tahsildar, Bayyaram Mandal, Khammam District for custody and subsequently, the seized material was disposed under Section 21(1) and 21(5) of Mines & Minerals (D&R) Act,1957.

3. The Director of Mines & Geology, Hyderabad based on the joint inspection report, has submitted proposal to the Government for determination of the above said Mining Lease held by Sri J. Mark Raju under Rule 27 of Mineral Concession Rules, 1960, on the following grounds:

(1) No workings were found and agricultural activity is seen in the leased area. At present, no symptoms of Iron Ore availability is seen in the lease. As per the ADM&G, Kothagudem records, no permits were issued since 2008.

(2) As per the pit measurements report the analysis of dispatches made from the leased area vis-à-vis the permits issued to the lease holder, the following variation is noticed which is shown below table 1 & 2:

**TABLE-I**

Location & Extent	No. of Pits	Volume	% of Recovery of Iron ore in ROM (50% as per AMP)	Quantity in MT by taking bulk density of Iron Ore as 3.3 (as per AMP)
S.No.74/1 of Ramachandrapuram Village, Bayyaram Mandal.	47	879.585	439.793	1451.315

TABLE-II

Location & Extent	No. of Permits issued	Permitted Quantity (In MT's)	Quantity arrived as per pit measurements (in MT's)	Variation (in MT's)
S.No.74/1 of Ramachandrapuram Village, Bayyaram Mandal. Ext:8.000 Hectares	36	32538	1451	31087

4. In the reference 3<sup>rd</sup> read above, Government based on the recommendations of DM&G, Hyderabad, have issued a notice to the lessee i.e. Sri J.Mark Raju to show Cause within (15) days from the date of receipt of the Govt.Memo, as to why the mining lease held by him for Iron Ore over the subject area shall not be determined under Rule 27 of Mineral Concession Rules, 1960 on the grounds mentioned at para 3 above.

5. In the reference 4<sup>th</sup> read above, Sri J.Mark Raju has submitted reply to the Government in response to the above said show cause notice. The Director of Mines & Geology, Hyderabad who has been requested to examine and furnish his remarks on the reply submitted by Sri J.Mark Raju, has submitted his remarks vide reference 5<sup>th</sup> read above. The contention of the lessee and the remarks submitted by the DM&G in the matter is as follows:

Sl.No.	Contention of the lease holder	Remarks of DM&G, Hyderabad
1	The Mining Lease area is plain land consisting of red gravel soil with pebbles of Iron Ore and once the mineral is removed the land is suitable for cultivation is incorrect because after removal of Iron Ore the pits were closed with the same soil excavated from the pits.	<p>The conclusion has been arrived based on the joint inspection report that “no workings were found and agricultural activity is seen in this leased area”.</p> <p>At the same time, the Surveyor, O/o. ADM&amp;G, Kothagudem after pit measurements on 07-02-2011 reported the existence of (47) pits indicating extraction of 1451.315 MT Iron ore from the entire leased area.</p> <p>In view of the existence of float ore, surfacial pickings by the lease holder, the joint inspection team might have come to the conclusion because of “natural reclamation in view of torrential rains”.</p>
2	As per the Mining plan/Mining Scheme approved by IBM the total reserves are 94592 MT and dispatches made under permits up to June, 2010 is 29272 MT leaving balance reserves 65320 MT.	As per the field inspection and measurements taken, the volume worked out from 47 pits in the Mining Lease area is 879.585 and as per bulk density the quantity is worked out 1451 tons only, whereas the lessee obtained
3	The extraction of mineral manually using simple instruments like Crobars, Picaxis etc., and once the Iron Ore pebbles were removed from the pits, the same pits are closed with available waste soil and further the pits were filled with rain water and other waste material	<p>36 permits for a quantity of 32538 MT and misused 31087 MT</p> <p align="center">Hence, the contention is incorrect.</p>
4	The department conducted	The Dept has taken-up inspection in the

	measurements of the existing pits nearly after 4-5 years and the pit measurements taken after lapse of 5 years shall not tally with the original measurements of pits made for extraction of Iron Ore.	presence of representative of the lease holder and taken the measurements of operated pits and arrived at the quantity excavated from the leased area.
5	The permits were taken from ADM&G, Kothagudem from time to time after physical verification of stocks.	The permits were issued by ADM&G, Kothagudem on payment of Advance Royalty for the intended quantity, but the lease holder mis-utilised the permits for material procured from outside.
6	He has entered into marketing agreements with sponge iron ore industry for supply of iron ore and taken sufficient advance amount, if the Government determines the lease, he will incur heavy loss and fail to accomplish the supply agreement.	Any lease holder ought to operate the Mining Lease in a workman-like-manner duly abiding the provisions of Act and Rules. For any violations, clear provision of Act and Rules will be implied and such action cannot be co-related to the personal interest of the lease holder.

6. The Director of Mines & Geology, Hyderabad has therefore requested the Government to take necessary action for determination of Mining Lease held by Sri Jatoth Mark Raju for Iron Ore over an extent of 8.00 Hectares in Sy.No. 74/1 of Ramachandrapuram Village, Bayyaram Mandal, Khammam District as per Rule 27(5) of M.C.Rules, 1960 as the explanation submitted to the show cause notice is not satisfactory.

7. Government, after careful examination of the matter, hereby determine the Mining Lease held by Sri Jatoth Mark Raju for Iron Ore over an extent of 8.00 Hectares in Sy.No. 74/1 of Ramachandrapuram Village, Bayyaram Mandal, Khammam District as per Rule 27(5) of M.C.Rules, 1960 as the explanation submitted to the show cause notice is not satisfactory, as listed in the tabular column at Para (5) above.

8. The Director of Mines & Geology, Hyderabad shall take necessary further action in the matter accordingly.

**((BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA))**

K. PRADEEP CHANDRA  
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP

To  
Sri Jatoth Mark Raju,  
S/o. Hemu,  
Mudigonda Village, Nekkonda Mandal,  
Warangal District - 506 122 **(BY RPAD)**  
The Director of Mines & Geology, Hyderabad (with connected file)

**Copy to:**

The Zonal Joint Director of Mines & Geology, Hyderabad.  
The Assistant Director of Mines & Geology, Kothagudem, Khammam District .  
The Secretary to Govt. of India, Ministry of Mines, Sastry Bhavan, New Delhi-110001.  
The Controller General, Indian Bureau of Mines, Indira Bavan, Civil Lines, Nagpur.440001.  
The Director General, Mines Safety, Dhanbad, Jarkand.  
The Regional Controller of Mines, Koti, Hyderabad.  
SF/SCs.(C.No.4110/M.II(2)/2013)

//FORWARDED::BY ORDER//

SECTION OFFICER